

**2023-25 BUDGET STATUS SUMMARY
AS OF JUNE 6, 2023 - FINAL
Beginning Balance and Revenues**

Legislative estimate of unobligated general fund cash balance - July 1, 2023	\$1,198,158,717	¹
Add 2023-25 estimated revenues		
January 2023 legislative base revenue forecast	\$5,093,906,670	
Legislative changes to base revenue forecast		
Major increases		
March 2023 forecast revision to 2023-25 biennium revenues	57,532,554	
HB 1379 - Provides allocations from the legacy earnings fund to the general fund for tax relief and other purposes	254,474,088	
NOTE: SB 2330 changes the definition of legacy fund earnings decreasing the allocation of earnings		
NOTE: SB 2015 changes the percent of market value to 8 percent, but the Governor vetoed the change		
SB 2015 - Transfer from the strategic investment and improvements fund	50,000,000	
SB 2367 - Increases the allocation of oil and gas tax revenue to the general fund	60,000,000	
Major decreases		
HB 1012 - Allocates 50 percent of motor vehicle excise taxes to a flexible transportation fund	(171,407,500)	
HB 1168 - Provides income tax credits related to manufacturing and agriculture automation incentives	(6,000,000)	
HB 1158 - Changes the income tax rates and exempts taxable income in the first bracket	(358,297,204)	
SB 2293 - Expands an individual income tax deduction to exclude state active duty military pay	(4,000,000)	
Other increases (decreases)	(6,643,308)	
Total legislative changes affecting revenues	<u>(\$124,341,370)</u>	
Total estimated general fund revenues and beginning balance - 2023-25 biennium	\$6,167,724,017	
Appropriations		
Base level appropriations		\$4,878,875,745
Legislative increases (decreases) to base level appropriations		
Major increases		
HB 1002 - Judicial branch	18,464,669	
HB 1003 - North Dakota University System	162,915,240	
HB 1011 - Highway Patrol	13,111,064	
HB 1012 - Department of Transportation	10,375,000	
HB 1014 - Industrial Commission, Department of Mineral Resources, and Housing Finance Agency	27,879,614	
HB 1015 - Department of Corrections and Rehabilitation	37,608,154	
HB 1018 - Department of Commerce	30,670,390	
HB 1021 - Information Technology Department	14,084,892	
HB 1158 - Homestead property tax credit	158,225,000	
HB 1276 - Agriculture diversification and development fund	25,000,000	
HB 1540 - Child care assistance	65,600,000	
SB 2012 - Department of Health and Human Services	370,845,291	
SB 2013 - Department of Public Instruction	66,197,917	
SB 2015 - Office of Management and Budget, including a statewide salary equity pool and other funding pools	106,885,667	
Major decreases		
None		
Other increases (decreases) net		109,454,894
Total legislative changes affecting appropriations		<u>\$1,217,317,792</u>
Total 2023-25 general fund appropriations		\$6,096,193,537
Estimated Ending Balance - June 30, 2025		
Estimated budget status general fund balance		<u>\$71,530,480</u>

2023-25 Ongoing and One-Time General Fund Revenues and Appropriations Comparison

	<u>Ongoing</u>	<u>One-Time</u>	<u>Total</u>
General fund revenues	\$4,888,217,924	\$1,279,506,093	\$6,167,724,017
General fund appropriations	5,842,733,814	253,459,723	6,096,193,537
Balance (Deficit)	(\$954,515,890)	\$1,026,046,370	\$71,530,480

2023-25 General Fund Appropriations Comparison to Executive Budget Recommendation

	Executive Budget	2023-25 Current Budget Status	Increase (Decrease)	
			Amount	Percent
Ongoing general fund appropriations	\$5,489,362,605	\$5,842,733,814	\$353,371,209	6.4%
One-time general fund appropriations	374,889,588	253,459,723	(121,429,865)	(32.4%)
Total general fund appropriations	\$5,864,252,193	\$6,096,193,537	\$231,941,344	4.0%

Footnotes

¹ January 2023 base revenue forecast - Unobligated general fund cash balance on June 30, 2023	\$1,398,719,379 ^a
Legislative action affecting the June 30, 2023, balance	
March 2023 forecast revision to 2021-23 biennium revenues	\$77,815,424
Exemptions to continue unspent funding into the 2023-25 biennium	(32,834,400)
SB 2003 - Attorney General - Transfers 2021-23 biennium lottery revenue to the gaming tax allocation fund	(2,760,000)
SB 2025 - Provides deficiency appropriations to various state agencies	(28,152,539)
SB 2183 - Adjutant General - Deficiency appropriation for emergency snow removal grants	(20,000,000)
Other deficiency appropriations	<u>(200,116)</u>
Total legislative changes affecting the beginning balance	(\$6,131,631)
Estimated general fund cash balance prior to budget stabilization fund transfer	\$1,392,587,748
Estimated transfer to budget stabilization fund - June 30, 2023	<u>(194,429,031) ^b</u>
Legislative estimate of unobligated general fund cash balance - July 1, 2023	<u>\$1,198,158,717</u>

^a The beginning balance reflects estimated unexpended 2021-23 biennium general fund appropriations of \$169.7 million.

^b North Dakota Century Code Chapter 54-27.2 provides that any amount in the general fund at the end of a biennium in excess of \$65 million must be transferred to the budget stabilization fund except that the balance in the budget stabilization fund may not exceed 15 percent of the general fund budget approved by the most recently adjourned Legislative Assembly. The amount shown is based on the current estimate of the June 30, 2023, general fund balance and the current status of 2023-25 biennium general fund appropriations.

Budget Stabilization Fund Transfer and Balance

Estimated balance - June 30, 2023	\$720,000,000
Estimated transfer from general fund	<u>194,429,031</u>
Estimated balance - July 1, 2023	\$914,429,031

Strategic Investment and Improvements Fund

Estimated July 1, 2023, balance available for appropriation or transfer - January 2023 legislative revenue forecast	\$1,387,387,584
Revenue adjustments	
March 2023 forecast revision to 2021-23 biennium revenues	(\$5,020,000)
HB 1014 and SB 2330 - Allocations from legacy earnings fund to the strategic investment and improvements fund	29,474,088
NOTE: SB 2330 changes the definition of legacy fund earnings decreasing the allocation of earnings	
NOTE: SB 2015 changes the percent of market value to 8 percent, but the Governor vetoed the change	
Total available for appropriation or transfer after revenue adjustments	<u>\$1,411,841,672</u>
Appropriations and transfers	
HB 1003 - Higher Education - Capital projects and a transfer to an economic diversification research fund	(\$239,476,971)
HB 1012 - Department of Transportation - Studies, short line railroads, and creating a flexible transportation fund	(179,000,000)
HB 1014 - Industrial Commission - Research projects, clean energy grants, and a pipeline leak detection program	(70,500,000)
HB 1015 - Department of Corrections and Rehabilitation - New correctional facilities and information technology needs	(135,057,000)
HB 1018 - Department of Commerce - Transfer to the North Dakota Development Fund and other grants	(143,000,000)
HB 1019 - Department of Career and Technical Education - New and expanding education programs	(500,000)
HB 1020 - Agriculture Research and Extension Service - Various improvement projects and deferred maintenance	(93,732,600)
HB 1021 - Information Technology Department - Digitization project and customer management program	(15,000,000)
HB 1040 - Public Employees Retirement System - Transfer to the main system retirement plan	(135,000,000)
HB 1480 - Department of Health and Human Services - Transfer to a newly created pay for success fund	(2,500,000)
HB 1519 - Department of Career and Technical Education and Department of Agriculture - UAS grants	(25,000)
SB 2002 - Secretary of State - Information technology projects	(1,500,000)
SB 2009 - Agriculture Commissioner - Grazing grants and transfer to the bioscience innovation fund	(6,500,000)
SB 2012 - Department of Health and Human Services - Transfer to the human service finance fund and for projects	(52,185,154)
SB 2013 - Department of Public Instruction - Passthrough grants for science centers and a theatre	(19,493,086)
SB 2015 - Office of Management and Budget - Deferred maintenance funding pool, grants, transfers	(134,750,000)
SB 2018 - State Historical Society - Critical repairs at historic sites and new exhibits	(3,550,000)
SB 2019 - Parks and Recreation Department - Deferred maintenance, capital projects, and park grants	(26,950,000)
SB 2242 - Bank of North Dakota - Transfer to a newly created bulk propane storage tank revolving loan fund	<u>(5,000,000)</u>
Total appropriations and transfers	<u>(\$1,263,719,811)</u>
Estimated remaining funds	\$148,121,861